



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

0003

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

Lowell P. Braxton
Division Director

1594 West North Temple, Suite 1210

PO Box 145801

Salt Lake City, Utah 84114-5801

801-538-5340

801-359-3940 (Fax)

801-538-7223 (TDD)

May 20, 1998

CERTIFIED RETURN RECEIPT

P 074 976 645

Dennis Wanlass
Vice President and Chief Financial Officer
Geneva Steel Company
10 South Geneva Road, KQ
Vineyard, Utah 84058

Re: Formal Approval of Form and Amount of Replacement Reclamation Surety, Geneva Steel Company, Iron Mountain, M/021/008, Iron County and Keigley Quarry, M/049/001, Utah County, Utah

Dear Mr. Wanlass:

On May 20, 1998, the Acting Director of the Division of Oil, Gas and Mining formally approved the form and amount of replacement reclamation surety for Geneva Steel Company's Iron Mountain and Keigley Quarry mine sites. The Division has been directed that whenever a surety is changed, the amount needs to be updated to current dollars and escalated five years into the future. Due to time constraints and the Division workload, we were not able to perform a field inspection to re-calculate the bonds. Therefore, there is no change to the mining and reclamation plan at this time; these replacement surety amounts are escalated figures only from the currently approved plan.

The new reclamation surety bonds issued by United Pacific Insurance Company replace the current surety bonds with St. Paul Fire and Marine. The new replacement surety for the Iron Mountain mine #U2771399 in the amount of \$1,073,000 is a joint surety with the Bureau of Land Management. The new replacement surety for the Keigley Quarry #U2771398 is in the amount of \$615,500. The Division hereby grants its final approval of these replacement reclamation sureties.

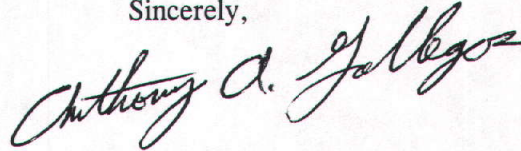
Enclosed please find copies of the fully signed and executed Reclamation Contracts and surety bond forms for your files with the effective date of May 20, 1998. Enclosed are the original Reclamation Contracts with the effective date of July 26, 1995, for the Iron Mountain mine and effective date of October 24, 1991 for the Keigley Quarry for your disposal. Also enclosed for your return to St. Paul Fire and Marine is surety bond #400 HR 7285 with accompanying rider and stipulation in the amount of \$990,000 for Iron Mountain mine and surety bond #400 HR 7286 in the amount of \$505,000 for the Keigley Quarry.

0003

Page 2
Dennis Wanlass
Geneva Replacement Bonds
May 20, 1998

Thank you for your help in finalizing this permitting action. Please call me if you have any questions in this regard.

Sincerely,



for

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosures: (2) MR-RC's w/sureties
7/26/95 MR-RC & 10/24/91 MR-RC
Original St. Paul bond # 400 HR 7285 w/rider and stipulation
Original St. Paul bond #400 HR 7286

Geneva.apv

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number M/021/0008 Mine Name IRON MOUNTAIN
Operator PALLADON Date Rec'd May 11, 1998
TO _____ FROM _____

☐ CONFIDENTIAL ☐ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☒ Incoming ☐ Outgoing ☐ Internal ☐ Superceded
MRRC & BOND DOCUMENTS 1998-0003

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 8 1/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____